



**U.S. Department of the Interior
Bureau of Land Management
Eastern States
7450 Boston Boulevard
Springfield, Virginia 22153**



Press Release

For Release Immediately

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**Federal Government Leases Land Arkansas, Louisiana, and
Mississippi, and Michigan for Oil and Gas Exploration**

Twenty-one parcels of Federal land brought in \$51,308.00 through a competitive auction of oil and gas leases conducted by the U.S. Department of the Interior's Bureau of Land Management (BLM) on Thursday, December 12, 2002, in Springfield, Virginia. Bonus bids, filing fees, and rental revenue amounting to \$22,193.00 will go to the U.S. Treasury and \$29,115.00 will be shared with the affected States.

The BLM has responsibility for leasing the federally-owned minerals located in the 31 states east of and adjoining the Mississippi River and offers selected parcels at quarterly competitive auctions. Regulations require the bidding to open at \$2 per acre. Cypress Operating, Inc. from Shreveport, Louisiana paid 12,646.00 for an 79-acre parcel in Lincoln Parish, Louisiana. Their bid of \$160.00 per acre was the highest per-acre bid of the auction.

Leases are awarded for a term of 10 years and as long thereafter as there is production of oil and gas in paying quantities. The Federal Government receives a royalty of 12½ percent of the value of production. Also, each State Government receives a 25 percent minimum share of the bonus bid and the royalty revenue from each lease issued in that state.

The next competitive oil and gas lease sale is scheduled for March 20, 2003. Visit our web site at www.es.blm.gov for more information about oil and gas lease sales and other BLM programs.

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